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FM AMEMBASSY CARACAS
TO RUEHC/SECSTATE WASHDC PRIORITY 7579
INFO RUEHWH/WESTERN HEMISPHERIC AFFAIRS DIPL POSTS PRIORITY
RUEHZL/EUROPEAN POLITICAL COLLECTIVE PRIORITY
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C O N F I D E N T I A L SECTION 01 OF 02 CARACAS 000161

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E.O. 12958: DECL: 01/22/2017
TAGS: [PGOV](#) [KDEM](#) [VE](#)
SUBJECT: SUMATE SEES TOUGH YEAR AHEAD

REF: A. 06 CARACAS 02478
[1](#)B. 06 CARACAS 00461
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Classified By: POLITICAL COUNSELOR ROBERT DOWNES FOR 1.4 (D)

Summary

[1](#)1. (C) PolCouns and PolOff met with Sumate President Alejandro Plaz and Director Roberto Abdul January 17 to discuss their views of developments and plans for 2007. Pleased with the significant expansion of their volunteer network engendered by their activities during the 2006 presidential campaign, the Sumate leaders said they would continue to focus on providing training sessions on citizen participation in governance to expose the failures of BRV administration. The normally politically-focused Plaz and Abdul were uncharacteristically more preoccupied with the likely harm to Venezuela caused by Chavez' recently announced economic program than on political developments. They did indicate they were maintaining good relations with opposition leader Manuel Rosales and would continue to provide civic training in support of his efforts. They confirmed that the trial against four Sumate leaders (including Plaz) for receiving NED money remains on hold, but new cases related to the National Assembly's 2006 witch hunt may begin (Ref a and b). Meanwhile, Sumate and Plaz continue to face harassment by the tax authority and Sumate Vice President Maria Corina Machado faces additional criminal indictment for her alleged support of the government that temporarily replaced Chavez in April 2002. End Summary.

Sumate Grows, but Opportunities Shrink

[1](#)2. (C) PolCouns and PolOff met with Sumate President Alejandro Plaz and Roberto Abdul January 17 to discuss the electoral NGO's take on the political scene and their plans for the coming year. The NGO leaders said they were pleased with the growth of Sumate's volunteer network during the presidential election season. According to Plaz and Abdul, Sumate trained over 66,000 general opposition electoral witnesses, placed 11,000 Sumate volunteer observers in

approximately 75 percent of the most populated voting centers, and expanded its number of electoral trainers to 2,000. Sumate found the vote itself was transparent based on their volunteers' observations and quick count results, although they, like the EU, denounced Chavez' disproportionate advantage in terms of campaign air time and misuse of government resources in the campaign.

13. (C) Plaz and Abdul thought there was little the opposition could or would do in the short run given Chavez' lock on power and determination to impose his socialist program. Plaz doubted that former opposition presidential contender and Zulia Governor Manuel Rosales would succeed as a national opposition leader if he did not shed the old guard politicians associated with previous, discredited governments and the failed Coordinadora Democratica that led the 2004 recall referendum effort. Moreover, both leaders said opposition supporters were disillusioned and would likely be reluctant to support recall referenda that would only prove (once again) that they were in the minority. (Note: Governors and mayors have passed the mid-point in their terms and so, by law, can be subjected to recall referenda.) Nevertheless, Plaz said that Sumate continues to maintain good relations with the Rosales camp and would do what it could to provide civic and other types of training to support his organizational efforts. The NGO is also planning to keep their newly expanded network active and hopefully further increase its membership and outreach by holding broader civic training sessions on BRV programs to increase citizen participation in hopes of exposing the BRV's administrative failures. They plan to hold internal elections in 2007 to renew Sumate's leadership.

The Economy as Chavez' Achilles Heel

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14. (C) Compared to their usual political focus in previous conversations, Plaz and Abdul concentrated more heavily on Chavez' economic vulnerabilities, which they thought would be more determinant in Chavez' eventual downfall. They were particularly preoccupied by Chavez' recent announcements of his economic program (Refs c, d, e and f) and the harm that his policies would engender for Venezuela. Plaz noted declining oil prices, Venezuela's falling oil production, and rising domestic consumption would eventually reduce money available for Chavez' social missions causing discontent among supporters. In the near term Plaz said Chavez' massive government spending program would fuel inflation and his nationalization of industries and increasing state control over foreign exchange and the economy in general would discourage investment and lead to shortages. While both Plaz and Abdul indicated these developments might lead to Chavez' downfall, they were more concerned with the harm these developments would bring to Venezuela.

Trials

15. (C) Sumate remains in judicial limbo. While the trial against four Sumate leaders (including Plaz) is still on hold, pending selection of the lay judges (Ref a and b), Plaz and Abdul did not rule out the possibility of the Attorney General bringing new charges against the NGO based on the findings of the National Assembly's 2006 "investigation" (Ref a). Sumate Vice President Maria Corina Machado was scheduled to appear in court January 18 along with more than a dozen others to answer to civilian rebellion charges for allegedly signing the so-called Carmona Decree supporting the government that temporarily replaced Chavez during the April 2002 coup. After several hours of waiting, the hearing was postponed until mid-February. Machado has repeatedly said she only signed a visitors' book when she attended the

swearing-in ceremony. Plaz also said the Seniat harassment and its investigation into Sumate's and his personal finances continue. Plaz expects Seniat to fine the NGO a hefty sum for the domestic donations it received. Fortunately, he said, the NGO has built up a nest egg to help offset the potentially onerous financial burden.

Comment

¶6. (C) Plaz and Abdul's take on the opposition's lack of opportunities to exploit Chavez' weakness is consistent with the analysis of many of Post's opposition party contacts (septel). With virtually no domestic check on his authority, we would not be surprised if Chavez renewed and increased pressure on the NGO. It is possible, however, that rather than continue the path of direct judicial harassment through criminal trials, the BRV might be setting up a different approach: bleeding the NGO dry with endless investigations, and intrusion by tax and other authorities, which have a lower profile and thus are more difficult to attract international attention. Embassy will continue its outreach efforts to other diplomatic missions to engender support of the NGO in the face of overt harassment.

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